



Mr Alexander Ramsay
Preparatory Committee of the Unified Patent Court

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Dear Mr Ramsay

Opting out during the sunrise period at the Unified Patent Court

The IP Federation represents the views of UK Industry in both IP policy and practice matters within the EU, the UK and internationally. Its membership comprises the innovative and influential companies listed at the end of this letter. It has wide experience of how IP law, including patent litigation, works in practice in the UK, Europe and internationally.

The reason I am writing to you is that the IP Federation is concerned with the current lack of clarity around how the opt out process will work during the sunrise period at a practical level, including how our member companies will be able to register their staff both as official UPC Representatives and as users of the CMS for the opt-out process.

Many corporate patent proprietors with large patent portfolios act through their in-house patent departments and, usually, administrative actions are conducted through administrative formalities staff who are not qualified lawyers or EPAs. Hence, we are also concerned to establish whether, and if so exactly how, formalities staff will be able to deal with opt-outs. In raising these points we have considered the Rules of Procedure and the draft EPLC rules on representation, and have looked in detail at the CMS beta-system. **I cannot over-state how important these points are for industry**, hence raising them with you directly.

The specific matters we would raise that are relevant to this are as follows:

1. We know that EPAs can be registered as UPC Representatives if they have the R.11 or R.12 qualifications set out in the EPLC rules. However, R.12 (which is the way the vast majority of EPAs will qualify to register as UPC Representatives) states that an EPA may only apply to have an existing qualification recognised as equivalent to an EPLC for one year following the entry into force of the UPC Agreement. This is after the sunrise period, implying that during the sunrise period EPAs with these equivalent qualifications will not be able to act as UPC Representatives. Please can you confirm that either this interpretation is wrong, or that R.12 will be changed to allow EPAs to register in the sunrise period where they have an equivalent qualification?

2. Further to my first question, the CMS now has a section about registering as a UPC Representative, but our questions are when will this be open for business and will applications be processed promptly? We assume that registration will only be possible (at the earliest) when the sunrise period opens. However, the CMS indicates that there will be a human check on the applications. If thousands of individuals apply to be registered (bearing in mind that large numbers of EPAs and lawyers are likely to apply for registration) and there are a very limited number of Registry staff, how will they get through all of the applications? If the sunrise period starts on the same day as the ability to register as a representative, there may be a significant queue and *de facto* a consequent delay in registration. Can you provide any comment or reassurance on this point?
3. In addition to the formal registration as UPC Representatives, at a more basic level how (again as a practical matter) will users register on the CMS in the first place? Will they need, for example, to obtain a user electronic key and, if so, how will this work? Will the process be different for people registering as UPC Representatives and people registering just as users? Are we right in thinking users will first register on the CMS system, and then those who wish to become registered as UPC Representatives will then make their application; that is a two stage process?
4. A benefit from the opt-out perspective of having in-house EPAs registered as UPC Representatives is that no mandate is then required to effect opt-outs. However, in practice, EPAs would not normally conduct an administrative function such as this. Rather formalities staff would do this. If they conduct their duties under the supervision of an in-house qualifying EPA (or other UPC Representative) suitably authorised to act on their behalf, will it be acceptable from the Registry's perspective for such formalities staff to prepare applications on behalf of the EPA? If so, will they also be permitted to use the EPA's account on the CMS, or must they use their own? If the latter, what mechanism is envisaged to allow one user of the CMS (for example, a formalities employee) to prepare a draft application for another user of the CMS (for example, the EPA who is a UPC Representative) to then submit?
5. The opt-out application process on the CMS seems to only have two options for the status of the person submitting the application. Either they are a "registered representative" (i.e. a UPC Representative), in which case they do not need to upload a mandate as part of the process, or they are "not a registered representative", in which case they do need to upload a mandate. How is this envisaged to apply where the proprietor is acting on their own behalf, i.e. has not appointed a representative? Does it merely come down to the nature of the person submitting the application? If the proprietor is a company, does this mean that any member of staff who is not a UPC Representative would need to file a mandate as part of the process?
6. When will further details of the API system be released for users to consider? In particular, what work is being done by third parties to use the API system?

Finally, the IP Federation is aware that the UPC start date has now been pushed back from December 2017, presumably to around March to May 2018. The

consequences of this for the start of the sunrise period, however, are unclear. The IP Federation appreciates that it cannot begin until after the Preliminary Application Phase begins, but would urge the Preparatory Committee, and in due course the Administrative Committee, to allow the sunrise period to open as soon as possible.

Yours sincerely

James Hayles
President, IP Federation



IP Federation members 2017

The IP Federation represents the views of UK industry in both IPR policy and practice matters within the EU, the UK and internationally. Its membership comprises the innovative and influential companies listed below. The CBI, although not a member, is represented on the Federation Council, and the Council is supported by a number of leading law firms which attend its meetings as observers. It is listed on the joint Transparency Register of the European Parliament and the Commission with identity No. 83549331760-12.

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